Unit title	Theory of Termination of Employment
SQA code	H70Y 04
SCQF level	7
SCQF credit points	2
SSC ref	FSP PS2 and P5

History of changes

Publication date: August 2013

Version: 01

Version number	Date	Description	Authorised by

Title	Theory of Termination of Employment
Learning Outcomes **The learner will:**	**Assessment Criteria** **The learner can:**
1 Understand the process for termination of employment payments.	1.1 Identify leavers from correctly authorised source documentation. 1.2 Explain how to amend leavers' records to ensure that they will not continue to be paid. 1.3 Identify the correct termination payments to be made including: ♦ pay in lieu of notice ♦ ex gratia payments ♦ damages ♦ restrictive covenants ♦ statutory redundancy payments 1.4 Describe how to calculate statutory redundancy payment. 1.5 Explain the terms of any contractual, non-statutory redundancy scheme. 1.6 Explain the impact of income tax and national insurance legislation on redundancy and other termination payments. 1.7 Identify the correct statutory reports required by the tax authority.
2 Understand other processes for leavers.	2.1 Identify sums to be recovered from a leaver in respect of loans, excessive holiday and other recoverable elements of pay. 2.2 Identify and explain any reports which need to be made in respect of the termination, return of organisation equipment, company cars, keys and identity cards. 2.3 Explain the method of calculating final gross pay.

Additional information about the Unit
Unit purpose and aim(s)
This Unit is about terminating employment including the processes involved and calculation of redundancy payments. Learners will gain an overall appreciation of complex legislation relating to employment rights, contracts of employment and the taxation and national insurance implications for termination payments. Learners will also gain knowledge of organisational procedures for processing leavers, whatever the reason. Learners should be working within a payroll environment.
Details of the relationship between the Unit and relevant national occupational standards (if appropriate)
This Unit directly relates to Units FSP PS2 and P5 of the Payroll NOS. It relates to a number of other NOS covering the areas of financial records, IT and regulations.
Details of the relationship between the Unit and other standards or curricula (if appropriate)
N/A
Assessment requirements specified by a sector or regulatory body (if appropriate)
N/A

Assessment (evidence) Requirements

Evidence should be collected when carrying out tasks within a real job. Learners must provide evidence that they have done this over a sufficient period of time so that the assessor is confident that the learner is competent.

Assessment must be undertaken with learners taking due cognisance of legislation, security of information and organisational procedures.

Guidance on Instruments of Assessment

This Unit is designed to assess the knowledge of learners in the workplace.

Learning Outcome 1 may be assessed by a work-based assessment or by observation/product evidence/witness testimony.

Learning Outcome 2 may be assessed by a work-based assessment or by observation/product evidence/witness testimony.

Online assessment may also be used for both Learning Outcomes.

The collection of supplementary evidence of performance can be used to further substantiate, support and expand the evidence base for competent performance where this is necessary. This may be required depending on the size of the organisation in which the learner is working. Supplementary evidence may include:

♦ Questioning
♦ Professional discussion
♦ Other valid evidence which relates directly to learner performance

SQA's Guide to Assessment provides information on appropriate instruments of assessment. This guide is designed to provide support for everyone who assesses for SQA qualifications. It looks at the principles of assessment, and brings together information on assessment in general as well as on best practice in assessment. The Guide to Assessment can be downloaded free from SQA's website **www.sqa.org.uk**.

The FLSP's Assessment Strategy also supports the assessment of this Unit.